Statement of Josefina G. Carbonell, Assistant Secretary for Aging On the Release of the FY 2009 Budget Request to Congress Monday, February 4, 2008

On February 4, 2008, the Administration on Aging's FY 2009 budget request to Congress of **\$1.381 billion** was released as part of the U.S. Department of Health and Human Services budget request. The Administration on Aging FY 2009 budget request will strengthen the national aging services network in meeting the challenges presented by the aging of the baby boomers and the need for more options for long-term living.

The Administration on Aging 's request maintains FY 2008 appropriated funding levels for Administration on Aging services programs and reflects our commitment to support the core programs that provide home and community-based long-term care services to millions of older persons through the national aging services network. The network, made up of state, tribal and area agencies on aging as well as more than 29,000 community-service providers, has been a proven force in advancing healthy living and independence in the community and serves over 9 million individuals each year. Administration on Aging's Aging Services Programs have been rated effective – the highest rating a program can receive – as part of the Office of Management and Budget's Program Assessment Rating Tool (PART).

The Administration on Aging FY 2009 budget request provides continued support for activities that help give people choices, control and independence as they grow older, and will enhance our ability to address the future of long-term care in this country. The FY 2009 request again includes a request for \$28 million to evaluate, through a time-limited, randomized trial design in three to five States, whether the Choices for Independence proposal achieves savings in Medicaid and Medicare through its use of low cost home and community-based alternatives. Choices holds the potential to improve the quality of life for millions of adults as they age, support the network's efforts to help high-risk individuals who are not Medicaid eligible to remain at home through the use of low-cost alternatives, and assist State efforts to rebalance their systems of care.

The Choices demonstration builds on existing, successful investments in U.S. Department of Health and Human Services programs and best practices from the field that will:

- Help individuals make informed decisions about care options, plan for long-term care needs and streamline access to publicly supported long-term care programs through Aging and Disability Resource Centers.
- Assist seniors to make behavioral changes that have proven effective in reducing the risk of disease and disability through evidence-based prevention efforts designed to address chronic disease and disability.
- Help seniors at high risk of nursing-home placement avoid or delay institutionalization and unnecessary spend-down to Medicaid through an array of flexible services.

Choices for Independence advances the Administration's New Freedom Initiative, which supports people's desire to live in the community, and complements the Secretary's prevention and health promotion priorities. It supports the Administration's efforts to modernize Medicare and Medicaid and the reforms in Medicaid under the Deficit Reduction Act, such as *Money Follows the Person*. It builds on partnerships with the Centers for Medicare & Medicaid Services including outreach efforts on prescription drug coverage and the prevention focus of *My Health*. *My Medicare*.

FY 2009 Budget Overview

(Dollars in Thousands)

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	FY 2007		FY 2008		President's		FY 2009 +/-	
Program	Enacted		Enacted		Budget		FY 2008	
State & Community-Based Services:								
Home & Community-Based Supportive Services	\$	350,595	\$,	\$	351,348	\$	
Congregate Nutrition Services		398,919		410,716		410,716		
Home-Delivered Nutrition Services		188,305		193,858		193,858		
Nutrition Services Incentive Program 1/		147,846		153,429		153,429		
Preventive Health Services		21,400		21,026				(21,026)
Family Caregiver Support Services	•	156,167	•	153,439	•	153,439		
Subtotal, State & Community-Based Services	\$ 1	1,263,232	\$1	,283,816	\$1	,262,790	\$	(21,026)
Services for Native Americans:								
Native American Nutrition & Supportive Services	\$	26,134	\$	26,898	\$	26,898	\$	
Native American Caregiver Support Services	Ψ	6,241	Ψ	6,316	Ψ	6,316	Ψ	
Subtotal, Services for Native Americans	\$	32,375	\$	33,214	\$	33,214	\$	
Subtotal, Services for Native Americans	Ψ	32,373	Ψ	33,214	Ψ	33,214	Ψ	
Protection of Vulnerable Older Americans:								
Long Term Care Ombudsmen Program	\$	15,010	\$	15,577	\$	15,577	\$	
Prevention of Elder Abuse & Neglect	Ψ	5,146	Ψ	5,056	Ψ	5,056	Ψ	
Subtotal, Vulnerable Older Americans	\$	20,156	\$	20,633	\$	20,633	\$	
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Program Innovations /2	\$	24,058	\$	30,867	\$	32,918	\$	2,051
Choices for Independence (Non-Add)	•	·		16,212	•	28,000	·	11,788
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Aging Network Support Activities /2	\$	13,133	\$	15,377	\$	13,133	\$	(2,244)
Alzheimer's Disease Demonstration Grants	\$	11,668	\$	11,464	\$		\$	(11,464)
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Program Administration /3	\$	18,379	\$	18,064	\$	18,696	\$	632
Total, Discretionary Budget Authority	\$ 1	1,383,001	\$1	,413,435	\$1	,381,384	\$	(32,051)
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Health Care Fraud and Abuse Control /4	\$	3,128	\$	3,128	\$	3,128	\$	
Total, Discretionary Program Level	\$ ^	1,386,129	\$1	,416,563	\$1	,384,512	\$	(32,051)
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^{1/} Includes \$2,659,000 in FY 2008 budget authority appropriated to AoA and transferred to the Department of Agriculture for commodities purchases pursuant to Public Law 110-19.

^{2/} The FY 2008 Consolidated Appropriations Act appropriated funding for Choices for Independence under Aging Network Support Activities. This table has been comparably adjusted.

^{3/} In FY 2008 HHS proposed appropriating funds for certain TAPs to the General Departmental Management section. FY 2007 has been adjusted by -\$6 thousand for comparability.

^{4/} FY 2009 is a placeholder; the Secretary and the Attorney General will determine the final amount.